

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**THE APPLICATION OF REPUBLIC SAVINGS BANK)
(FORMERLY MAYFIELD SERVICE CORPORATION))
TO TRANSFER A SEWAGE TREATMENT FACILITY) CASE NO. 89-212
SERVING THOMAS COUNTRY ESTATES SUBDIVISION)
TO PURCHASE PUBLIC SERVICE CORPORATION)**

O R D E R

On February 27, 1989, Purchase Public Service Corporation ("Purchase") and the Mayfield Service Corporation ("Mayfield") filed a joint application for approval of the transfer of Mayfield to Purchase.¹ At the request of Purchase, that case was dismissed because the buyer and seller could not agree to specific terms of sale. On August 1, 1989, the Commission was notified that a contract for sale and purchase had been entered into by the above-named parties and this case was established.

Pursuant to a request from counsel for the parties and finding that incorporation would expedite the processing of this case, the Commission incorporated the record in Case No. 89-044 into the record of this case.

¹ Case No. 89-044, The Joint Application of Republic Savings Bank and Purchase Public Service Corporation, A Kentucky Corporation, For Approval of a "Contract of Sale and Purchase" Providing For the Transfer by Republic of a Waste Water Treatment Plant Servicing the Thomas Country Estates Subdivision in Graves County, Kentucky to Purchase Public Service Corporation.

By Order dated August 25, 1989, the Commission requested that the applicants file the name and wastewater treatment certification number of the operator of the facility in question and further provide a third-party beneficiary agreement as required by 807 KAR 5:071, Section 3. Purchase responded on September 7, 1989 providing the name and certification of the operator. Purchase further requested that the requirement of a third-party beneficiary agreement be waived due to the fact that Purchase was incorporated as a nonprofit public corporation by the Purchase Area Development District ("PADD") and will be operated and managed by local government officials who comprise the board of directors.

After consideration of the record and being otherwise sufficiently advised, the Commission is of the opinion and finds that Purchase has demonstrated the requisite financial, managerial, and technical abilities to provide reasonable service to the customers served by the facility in question. The Commission further finds that a third-party beneficiary agreement is not necessary in this case since Purchase is a public nonprofit corporation and will be managed by a board of directors comprised of local officials in the area served by PADD.

IT IS THEREFORE ORDERED that:


1. The transfer of the sewage treatment facility formerly known as Mayfield Service Corporation to Purchase is hereby approved.
2. The third-party beneficiary agreement used to guarantee continued service by private sewer corporations shall not be


required in this case since Purchase is owned and controlled by an area development district and local government officials.

3. Within 20 days of the date of this Order, Purchase shall file an adoption notice adopting the rates, rules, and regulations formerly charged by Mayfield.

Done at Frankfort, Kentucky, this 29th day of September, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director